

June 25, 2021

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The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

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**Re: Finance Docket No. 36500, Canadian Pacific Ry. – Control – Kansas City
Southern**
**And Re: Finance Docket No. 36514, Canadian National Ry. – Control – Kansas City
Southern**

Dear Ms. Brown:

We are writing on behalf of the Boards of Directors at Forest Products Association of Canada (FPAC), and the American Forest & Paper Association (AF&PA).

FPAC provides a voice for Canada's wood, pulp and paper, and wood fibre-based bio-materials producers nationally and internationally in government, trade, and environmental affairs. Canada's forest products industry is a \$80 billion dollar a year industry that operates in more than 600 forest-dependent communities and directly employs 233,000 Canadians across the country. Our sector is also one of the largest employers of Indigenous people in Canada, including 1,400 Indigenous-owned forest businesses.

AF&PA serves to advance U.S. paper and wood products manufacturers through fact-based public policy and marketplace advocacy. The forest products industry is circular by nature. AF&PA member companies make essential products from renewable and recycle resources, generate renewable bioenergy and are committed to continuous improvement through the industry's sustainability initiative — [*Better Practices, Better Planet 2030: Sustainable Products for a Sustainable Future*](#). The forest products industry accounts for approximately four percent of the total U.S. manufacturing GDP, manufactures nearly \$300 billion in products annually and employs approximately 950,000 people. The industry meets a U.S. payroll of approximately \$60 billion annually and is among the top 10 manufacturing sector employers in 45 states.

In order to access markets for its products, our sector continues to be heavily dependent on rail transportation and, in most of the remote areas where production facilities are located, on the services of a single rail carrier. To secure the potential of our industry and its people, it is absolutely critical that our transportation system is able to deliver reliably and economically.

Our members support a competitive, economic, and efficient transportation system that serves the needs of its users, which is most likely to emerge if guided by commercial decisions in competitive markets. At the same time, forest products companies frequently have to obtain transportation services in markets where competitive forces are limited or non-existent and where there is a legitimate and necessary role for regulation or other government action. In the latter case, it is absolutely crucial for the STB to continue to offer remedies and protections for shippers.

Those considerations should extend to the current initiatives underway from both CP, and CN, to merge with KCS. We are asking you to apply the full extent of the STB's powers in reviewing these initiatives to help ensure that shippers' interests are fully protected and no further reduction in rail competition occurs.

Sincerely,



Derek Nighbor
President and CEO
Forest Products Association of Canada



Heidi Brock
President and CEO
American Forest & Paper Association

cc: Parties of Record

